Key Facts Statement (KFS)
Home Finance for Ready Property

This document reflects product-specific Terms and Conditions governing Home Finance for Ready Property located within the United Arab Emirates ("UAE") and is in addition to Arab Bank for Investment & Foreign Trade ("Al Masraf") Islamic Banking Services General Terms and Conditions for Customers. The Key Facts Sheet highlights important information about Islamic Home Finance such as the Profit rate, installment amount and provides you with the total amount to be paid back over the life of the Finance.

Key Product details

Home Finance for Ready Property	
Structure	Our Home Finance is based on the Sharia structure of Ijarah Muntahia Bittamleek. The Bank will purchase property from the Seller (owner of the property) through a sales contract and lease it back to the customer under an Ijarah Muntahia Bittamleek Contract.
Profit Rate	Standard Home Finance with hybrid rate (profit rate is fixed for a short period, after which it shifts to a variable rate linked to EIBOR): Starting from 4.99% up to 6.94% per annum during the fixed rate period and 3 Month EIBOR + Margin between 2.99% and 5.95% during the variable rate period.
Fees	• Processing Fees: 1.00% of the Finance amount (max AED 20,000). • Early Settlement Fees/Partial Settlement Fees:Max 1% of the outstanding balance or 10,000 AED, which is less. • The complete Schedule of Charges (SoC) is available in the bank's website. • This SoC is subject to change from time to time at Al Masraf's sole discretion. • The Customers will be notified sixty (60) calendar days in advance of any revision.
Eligibility	• UAE National or UAE Resident. • Minimum age 21 years old and maximum up to 75 years (on a case-to-case basis) at the time of maturity. • Min Salary of AED 15,000 for salaried employee working in an approved company with Bank. • Min length of service 6 months and confirmed employee.
Features and Benefits	• Financing available for Ready property. • Combination of Fixed and Variable Profit Rate. • Repayment up to 25 years. • Fully compliant with Sharia rules.
Use of the property	During the Finance Tenor, the property shall be used and occupied as a residence and for no other purposes without the written consent of the Bank.
Down Payment	The Bank will evaluate the land/property from one of the approved listed evaluators with the Bank to determine the market value. The Finance will be based on the property market value, and you will require to pay the applicable Down Payment. You hereby undertake to provide such proof of payment prior to the transfer of the property at the relevant regulatory department. In buyout or resale cases, you must settle the difference amount between liability of the Bank/Seller and the approved Finance value.
Monthly Installment	a. You will pay the bank Principal + Profit (as per the Bank's prevailing rate) on a monthly basis. The Monthly Installment is calculated using the bank's fixed profit rate for the initial period and then EIBOR + the Bank's Margin (Minimum Floor Rate). Based on the EIBOR revision, the future installment may increase/decrease from time-to-time. b. You are required to pay the monthly installment to the bank on the due date based on the repayment frequency. c. If you are not able to make the installment on the due date due to the Higher Profit Rate, you should visit the Branch or meet your Relationship Manager, explain the reason and rationale, and request the Bank's review and approval to reschedule the installment if you are eligible. The monthly instalment will be calculated based on the principal outstanding amount and applicable profit.

Example: Profit Rate Calculation			
Rate Type	**Fixed (Reducing Balance)**	**Variable (EIBOR + 1.99%)**	**(EIBOR = 4.20%)**
Finance Amount	AED1,000,000		
Tenor	10 Years		
Finance Period	1-3 Years	4-10 Years	
Rate Applied	3.45%	6.19%	
Tenor (months)	36	84	
EMI	AED9,865.18	AED10,808.33	
Total Amount	AED355,146	AED907,900.00	AED1,263,046
Total Profit	AED55,146	AED207,900.00	AED263,046

Note:
- The above figures are estimates/example only. The Finance amount you are eligible for, and the Profit rate offered may differ from the representative example shown above. This will depend on your credit profile and affordability assessment done by the Bank.
- EIBOR Pricing: 1, 3 or 6 months EIBOR as published by Central Bank of UAE.
- During the variable rate period, the Finance is re-priced based on the EIBOR reference used.
- For e.g. in case 3 months EIBOR is used, then the Finance re-pricing would be every 3 months.
- The EIBOR rate used for computation is taken from the Central Bank website - www.centralbank.ae/en/services/eibor-prices

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Extra Grace Period	The grace period forms part of the total financing tenure and is taken into consideration when calculating the total profit in accordance with the terms of the contract. The profit accrued during the grace period will be recovered within the first instalment(s) following its expiry. A longer grace period increases total profit payable and overall repayment amount.			
Terms	Fixed profit rate of 2.99% p.a. for 3 years of the initial period. (The Fixed profit rate is equivalent to the flat rate of 1.63% p.a.) Post 3 years of initial period, variable profit rate will apply. If the 3-month EIBOR is 0.25% on the review date, then the revised variable profit rate will be 2.14% p.a. (0.25%+1.89% Fixed Margin) i.e., equivalent flat rate of 1.169% p.a.		A fully variable profit rate will apply for the entire finance period. If the 3-month EIBOR is 0.5% on the next review date, then the revised variable profit rate will be 2.39% per annum (0.5%+1.89% Fixed Margin) i.e., equivalent flat rate of 1.306% p.a.	
Repayment	EMI of AED 3,789 for first 3 years of introductory period introductory period. EMI of AED 3,481 from 4th year. EMI is calculated based on the assumption that 3-month EIBOR rate is 0.25% and fixed margin is 1.89%. EMI may vary based on EIBOR rate.		EMI of AED 3,446 from the start of the finance. EMI is calculated based on the assumption that 3-month EIBOR rate is 0.25% and fixed margin is 1.89%. EMI may vary based on EIBOR rate.	
Sensitivity of EIBOR change	If 3-Month EIBOR is	Then EMI is	If 3-Month EIBOR is	Then EMI is
	0.50%	AED 3,538	0.50%	AED 3,545
	1.00%	AED 3,719	1.00%	AED 3,748
Early Settlement fee (Example)	Outstanding principal amount Early Settlement Fee @1.05%		AED 500,000 AED 5,250	
Fixed Profit Rate	The Fixed Profit rate is applicable for fixed tenors. During a fixed tenor, you will pay a fixed Monthly Installment. After the expiry of the fixed rate, the installment will be calculated based on the prevailing Variable Profit rate.			
Variable Profit Rate	The Variable Profit rate is indicative and subject to change in accordance with the Terms and Conditions of the Mortgage Finance Agreement (Agreement). The Bank's Base Rate is linked to EIBOR with the 3 months' review frequencies due to which the installments may increase or decrease based on the prevailing Profit Rate. However, the margin % remains fixed throughout the Tenor of the facility.			
Warning: Installment not paid on time.	You shall pay the monthly installment on the due date, and if you fail to pay the monthly installment, your account will go into arrears. This may affect your credit rating, limiting your ability to access financing in the future. Further, if you fail to pay three consecutive installments, the Agreement shall be terminated, and the remaining installments shall become payable within a period of 15 days of receiving a written notice from the Bank, and the Bank shall have the right to take applicable legal action against you that includes the sale of the mortgaged property, and therefore, you may lose your property.			
Commitment to Donate	The client is obliged to donate (as per Bank's Schedule of Fees available on Almasraf.ae) after the lapse of the payment due date or instalment date on financing. The bank shall use such amounts to recover the actual losses and expenses incurred by the bank to recover the payments due or instalments including court and legal fees except the investment opportunities loss and costs of financing. The Bank shall donate the balance to the charity account managed by the Bank and subject to the rulings of the Fatwa and the Internal Shari'ah Supervision Committee of the Islamic Banking services, without prejudice to Al Masraf's rights to claim any late instalments due through the legal proceeding. The commitment to donate does not apply to a customer if a customer is insolvent and not procrastinating, and the principle is that the customer is not insolvent unless the customer proves otherwise.			
Property Evaluation Fee	You will be required to pay the property evaluation fee to cover the cost of appraisal of the property done by one of the approved evaluators with the Bank. The evaluation fee may vary depending upon the location/Emirate, type and numbers of the Property.			
Finance Amount	The Maximum Finance Amount you can avail with a Home Finance depends on your income, expenses, liabilities etc. The Bank will consider all your expenses and liabilities to make sure that you can make repayments on the Finance without placing yourself under financial stress.			
Takaful Insurance	a. You are required to choose the Life Takaful from one of the three Bank's approved Takaful providers selected by the Bank for the entire Finance Tenor and it will be assigned to Arab Bank for Investment Foreign Trade (Al Masraf). b. The Life Takaful should cover your Finance outstanding in the event of death due to any reason, terminal illness and permanent total disability to mitigate the risk associated with the life. c. The Life Takaful premium is calculated on the Finance outstanding amount, i.e. Monthly Premium = Finance outstanding amount x Life Takaful rate %. d. The Life Takaful premium may not be a fixed amount as it is calculated on the Finance outstanding and is paid on a monthly basis to the Bank. The Bank will deduct this amount along with the Finance Monthly Installment from the Customer's account. e. The Life Takaful premium may increase or decrease during the Finance Tenor based on the takaful provider rate. f. The Life Takaful coverage should be in place prior to acceptance of the offer and disbursement of Finance by the Bank. g. Non-payment of Life Takaful payments shall be considered as an event of default under the facilities.			

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Property Takaful	a. The Property Takaful will be provided through the Bank's approved Takaful provider for the entire Finance Tenor and it will be assigned to Arab Bank for Investment Foreign Trade (Al Masraf). b. The Property Takaful should cover the risk associated with the property i.e. fire and major maintenance including Total Loss and Partial Loss. c. The Property Takaful premium calculated on the Outstanding Finance i.e. Annual Premium = Outstanding Balance x Property Takaful rate %. d. The premium will be deducted on annually basis through direct debit or your bank account with Bank. e. The Property Takaful premium may increase or decrease during the Finance Tenor based on the takaful provider rate f. The Property Takaful coverage should be in place prior to acceptance of the offer and disbursement of Finance by the Bank. g. Non-payment of Property Takaful payments shall be considered as an event of default under the facilities.
Property mortgaged to the Bank.	The property will be mortgaged to the Bank until the Principal, accrued Profit, fees and charges fully paid to the Bank. The mortgage on the property is a security on the Finance, which means you cannot sell the property/mortgage to a third party if the customer cannot continue to make repayments. All owners whose names are stated in the property ownership document should be an applicant for the Finance facility.
Home Finance Reschedule	The customer must inform the Bank in case your monthly income is reduced due to (e.g., Salary reduction from employer, allowances withdrawal/retirement from employment/loss of employment/turning a pensioner/ Property Rent where the partial installment was dependent on rent or for any other reason). Al Masraf will assist you in rescheduling the existing Home Finance for the applicable tenor to maintain your monthly expenses vs. income.
Modification of property	The Customer is not permitted to make any modifications, additions, improvements, substitutions, or alterations to the Property without the prior written approval of the Bank. If approved by the Bank, such modifications shall be at the Customer's expense.
Schedule of Fees	Th is Finance is governed by the Schedule of Fees and Charges. In the event any of these fees are due to be paid, such fees should be paid by the customer. • Al Masraf publishes its Retail Banking Schedule of Fees & Charges in line with its commitment to a transparent Customer relationship. • Customers are strongly encouraged to write to us on info@almasraf.ae in case of need for more clarity on any fees charged to the account.
Partial early settlement	The Bank allows partial early settlement during the Finance term. Applicable fees will be charged, calculated on the remaining principal amount, plus VAT on the early settlement fee as clarified on the full early settlement example below. The fees are mentioned in the Schedule of Fees & Charges ("SOF"), which is published on the Al Masraf website (www.almasraf.ae). You will have the following options for finance: a. Pay the same installment and reduce the tenor OR b. Decrease your monthly installment and maintain the same tenor The profit will be proportionately adjusted based on the principal remaining
Deferment or Postponement	Deferment is the delay or suspension of the Monthly Installment. You are required to submit the request at our Branch, mention the reason for deferment, and pay the applicable fee mentioned on our website. The Bank will assess your request based on eligibility and policy and, accordingly, defer the installment as per your request. ***Warning: In the event of deferment, the Finance maturity period will be increased by the number of deferments availed by you during the Finance term, which will result in extending the lease period and entitlement to rent for the new period.***
Guarantor/Collateral	The bank may require a guarantor or collateral in order to secure the credit facility. The Bank will inform the customer before signing the contract. The collateral will be released upon full repayment of the finance.
Home Finance closure	You can close the facility by submitting the request by visiting any of Al Masraf Branches and submitting the Early Settlement Form. The applicable Early Settlement Fee will be charged to the Finance outstanding amount.
Early Settlement Amount	The Early Settlement Amount is being calculated as follows: a) Outstanding of Principal amount b) Accrued and unpaid Variable amount c) Any amount representing the costs of takaful (including any takaful undertaken on behalf of the Customer & major Maintenance and Taxes incurred by the Bank during the relevant Tenor d) Early settlement fee as per applicable Schedule of Fees & Charges of the Bank mentioned on Almasraf.ae.

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	Example:	
	Description	Amount
	Outstanding Principal Amount	AED 5,403,334.94
	Accrued and unpaid Variable amount (Profit)	AED 7,504.63
	Property Takaful	AED 847.90
	Early Settlement Fee (ESF)	AED 10,000
	VAT on ESF	AED 500
	Early Settlement Amount	AED 5,420,491.67
	Warning: These figures are estimates/examples only and the Accrued and unpaid Variable amount, Property Takaful refund may vary depends on the settlement date.	
Release of Mortgage	The Bank will release the mortgage over the property upon full and final settlement of outstanding finance and related fees and charges.	
VAT	To avoid doubt, VAT (at the prevailing rate) is additional to all charges. Fees mentioned in the Schedule of Fees & Charges exclude VAT at the prevailing rate.	
Further queries and/or clarifications	If you have any questions, please email info@almasraf.ae for more clarity before signing the Offer Letter and Home Finance Agreements. You should provide a copy of your EID/Passport and Visa page (in case of an expatriate customer), UAE Mobile number, and RIM to facilitate a timely response.	
Cooling-Off period	Al Masraf Islamic Banking Services grants the customer the right to a cooling-off period of complete 5 Business Days to revoke the signed agreement without incurring any penalty or charges. The customer also has the right to waive the Central Bank's required Cool-ing-Off Period of complete 5 Business Days by signing a written waiver form provided by the Bank.	

Privacy Note:

Our privacy commitments are fundamental to the way we run our business. Unless otherwise noted or governed by law, these commitments apply to everyone who has a relationship with us and those who have an intention to establish a relationship with us that includes customers, partners, and website visitors. Al Masraf is committed to providing you with the best overall experience in all our products and services. We strive to strike the right balance between using your data to ensure the quality of those experiences and protecting your privacy. We have assessed all aspects of our business and optimized the amount of data we collect to find the right balance between data sharing and service. Our Privacy Notice is available on https://almasraf.ae/privacy-notice.

Transparency Note:

As Al Masraf, we operate in full compliance with applicable laws and regulations governing data protection and privacy. Our commitment to transparency extends to ensuring that our practices align with legal requirements and industry standards. We prioritize your trust and confidence in Al Masraf and remain committed to transparency and accountability in all our interactions.

Additional Information:

- The finance amount you are eligible for, and the profit rate offered may differ from the representative example shown above. This will depend on your credit profile and affordability assessment done by the Bank.
- The Bank reserves the right to amend the Bank's Islamic General Terms and Conditions for Consumer Banking Products (including any relevant applications and documents) by notice to you as per applicable law.
- The Bank's Islamic General Terms and Conditions for Consumer Banking Products (including any relevant applications and documents) shall be read and implemented in line with this Key Facts Statement (KFS).
- The Bank may debit the Customer's account with any charges, expenses, or commission payable against the banking services rendered in accordance with the approved and announced banking charges and commissions, as notified to the Customer from time to time.
- For any inquiries or assistance, you can contact us at any of our branches, visit Al Masraf website, email us at info@almasraf.ae, or call us at 600 52 9999.
- Account Statements are sent monthly to the registered email address.
- Account transactions can be viewed using Al Masraf Online and Mobile banking.
- Transaction Alerts are provided to the registered mobile number.
- Al Masraf publishes its Retail Banking Schedule of Charges in line with its commitment to a transparent Customer relationship.
- Customers are strongly encouraged to write to us at info@almasraf.ae if they need more clarity on any fees charged to Home Finance or their accounts.
- If your finance is being taken over from another institution, the processing time may extend depending on receipt of all documentation from the other institution.
- All profit charges applicable are calculated from the date of finance disbursal. This will also apply to a deferred first payment date.
- We do not charge profit on accrued profit.
- As a consequence of the delay caused by the Licensed Financial Institution, the Consumer retains the option to cancel the contract without cost or penalty before the funds are made available.
- All copies of signed documents will be provided without any charges.

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How to complain to us?

- Please visit the website and fill in the Complaint form in the Contact us page: https://www.almasraf.ae/contact-us
- Send an email to care@Almasraf.ae
- Call us at 600529999 and select option 6 to connect with Complaint Management Team

Warnings:

- Failure to meet our Terms and Conditions before and during your relationship with us will result in consequences, including restriction, blockage, or closure of your bank account..
- If you do not meet the monthly repayments on your finances, your account will go into arrears and incur a late payment fee.
- Missing repayments could affect your credit score and limit your ability to access finance in the future.
- When you refinance your finance or avail installment deferments, it may take longer to pay off than your previous finance. It may also result in paying more profit.
- You may have to pay penalties if you pay off a financing early.

Declarations:

Customer hereby agrees to the above conditions and declares to the below by signing the Key Fact Statement - KFS:

- Customer acknowledges to have received and understood the Home Finance Key Facts Statement.
- Customer has been provided with the Data Privacy Statement.
- The Bank reserves the right to change the terms and conditions of the Agreement at any time at its sole discretion by providing 60 days written notice to the Customer.
- Customer acknowledges that this facility may be withdrawn or terminated by the Bank at any time upon issuing Sixty (60) days written notice.

I/We acknowledge receipt and understanding of this Key Fact Statement. I/We also acknowledge that I/we understand the product/service features, pricing, benefits, risks, fees, and Consumer rights and obligations as detailed in the Key Fact Statement. I/We acknowledge and agree that the provision of any banking services shall be at Al Masraf's discretion and subject to all applicable terms and conditions of Al Masraf Islamic Banking Services General Terms and Conditions, which may be revised from time-to-time.

Applicant Name:_____

Applicant Signature:_____

Date:_____

Disclaimer

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